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#### NOTE

This Report is one of the products of a Council contract designed to develop East European studies in the United States. The contract calls for a comprehensive study on Soviet-East European relations leading to a university level textbook, a university course, and a series of special lectures by guest scholars. The textbook, of which this Report is a part, and bearing the same title, will be published by Indiana University Press in May 1990. The course was conducted at Georgetown University in 1989. Present plans are to hold six guest lectures over the summer of 1990, with typescripts to be submitted to the Council.

## EXECUTIVE SUMMARY\*

This report consists of two sections: an analytic summary of the recent revolutionary events in Eastern Europe carried forward well into 1990, and an analysis of what may lie ahead under three rubrics: Soviet-East European relations, East European prospects, and Western concerns. The latter three are summarized below.

When their passions subside, East Europeans will come to realize that, if only for one reason, their dependence on the Soviet Union must continue for years: the reason is the region's need for energy. For as long as Eastern Europe cannot afford to buy energy with hard currency, there will be no alternative to its reliance on Soviet supplies. Hard currency, in turn, will be unavailable until the generally poor quality of East European goods improves sufficiently to make them competitive in Western markets.

Yet even when the East Europeans succeed in improving the quality of their products, another problem will confront them. The Soviet Union, which is by far the largest market for East European manufactures, does not demand -- and in most cases prefers not to purchase -- high-quality products (because it cannot put them to effective use). Under the circumstances, the East Europeans will find it difficult to assemble small quantities of high-quality goods for Western consumption while at the same time producing large quantities of the same goods of lesser quality for the vast Soviet market. Given limited resources and relatively small productive capacities, the East European economies cannot efficiently serve two very different markets.

If the East Europeans were to adopt a Western-oriented economic strategy, they would eventually achieve independence

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\* Compiled by the National Council for Soviet and East European Research.

from Soviet energy. They would also pay a high price for their efforts. During the long process of transition, they would risk losing the Soviet market for their traditional products while seeking, perhaps in vain, Western markets for their new ones. For this reason, most East Europeans are likely to opt to continue trading their food and manufactures for Soviet energy.

With energy as its sole, albeit compelling, source of leverage, Soviet policy in Eastern Europe is not likely to be reversed. Soviet domestic conditions, in particular, militate against the reemergence of an assertive Soviet foreign policy in the foreseeable future.

With or without Gorbachev, it is reasonable to expect major setbacks in the Soviet Union during the long decade of transition of the 1990s. Although it is unclear where or when, it is certain that Moscow will draw the line somewhere in order to save the integrity of the Soviet Union from nationalist pressures. Yet even if massive force were used to restore domestic law and order, the application of sanctions against an East European country has become unlikely. Confused about its values, overwhelmed by extraordinary pressures from within, and exhausted economically, the Soviet Union appears to have lost its will to pursue its old ambitions and defend its traditional interests. Having withdrawn from Afghanistan, it has retreated both militarily and politically from Eastern and Central Europe as well. As this is being written, Moscow has indicated its willingness to relinquish its hold over East Germany, its most precious postwar geopolitical gain. Indeed, because it has become unwilling to use force abroad on behalf of its interests, it is likely that the Soviet Union will even accede to the effective absorption of East Germany into West Germany.

As its domestic crisis abates, perhaps in the next century, the Soviet Union may well attempt to regain its military grandeur and corresponding global role in world affairs. However, its condition at the start of the 1990s argues against an early

recovery. Meanwhile, although the Soviet Union will be unable to dominate or even significantly influence the course on which Eastern Europe has embarked, the East Europeans will treat Moscow cordially. They will do so both before the Soviets leave the region completely -- mainly to ensure that they actually do leave -- and also after they are gone -- to ensure that they will not return.

The chances for the successful completion of the second phase of the East European revolution vary from country to country. To the extent that generalizations apply, however, the transition from independent existence to political democracy and a free enterprise system will depend mainly on each country's management of economic change and the strength of the emerging coalition governments.

Conflict of values and priorities will be unavoidable. On the one hand, the introduction of hard-headed, market-oriented economic policies, such as the reform of prices and the monetary system, and a shift from public to private ownership, are both essential and long overdue. On the other hand, social responsibility, coupled with the prevailing sense of egalitarianism, argue for a transition to free enterprise that is slow -- in order to minimize the harmful side-effects. If the economic changes are resolutely pursued, the bankruptcies of inefficient enterprises will increase and unemployment will rise. Moreover, if the systems move toward greater wage differentiation in order to reward talent and hard work, the income of the less gifted and the average will fall below the poverty line. If economic policies turn into half-measures, however, the East European economies will do no better than in the past when some, such as Hungary and Poland, tried to "reform" their economic mechanism without changing the system -- and failed.

Economic hardships and dislocations, which appear to be inevitable, will have the most serious social and political

consequences. Support for political democracy may suffer in an economic environment that is perceived to favor the few at the expense of the many. The cause of neither economic recovery nor social justice will be served, and a stable, democratic political order may not long survive, if dissatisfaction gives rise to such manifestations of social turbulence as prolonged, general strikes.

How the region's emerging coalition governments will handle these problems will mark the difference between order and anarchy, economic advance and economic decay, progress toward democracy and regression away from it. If these governments turn out to be weak coalitions made up of weak parties led by weak leaders, they could even be swept away by a combination of popular rage and populist demagoguery. In that case, they could be replaced by an equally weak, unstable coalition or by nationalist, populist, or authoritarian regimes.

As Eastern Europe enters the final decade of the twentieth century, chances are that in a majority of the region's six countries, but not in all, democratic governments will nevertheless acquire sufficient legitimacy to govern. While the politicians initially elected may not last long, they may be both strong enough and resilient enough to undertake the first measures necessary to make the transition to economic and political pluralism at least relatively smooth and peaceful.

East Germany, for example, because of its association with West Germany, is a particularly promising candidate for successful transition, as is Czechoslovakia, which has a fine democratic tradition, an economy that is not beyond repair, and a leader of Vaclav Havel's immense popularity and stature. Hungary, despite its overwhelming foreign debt and contentious politics, has advanced far toward dismantling the communist system. The country's entrepreneurial spirit and its highly educated labor force bode well for the future.

It is far more difficult to predict the chances of success for Poland. Unable to pay the interest on its debts, it is bankrupt. Inflation is still unchecked. Its activist industrial working class, which brought the "Solidarity"-led government to power, could also be that government's -- and Poland's -- undoing. On the positive side of its ledger, Poland has Lech Walesa at home and the Pope abroad. It has an energetic and competent government, too, which in December, 1989 introduced the region's most promising economic program.

While there is no cause for euphoria, then, there is none for excessive alarm. The region's discredited communist parties and demoralized security forces are unlikely to reemerge as a major force on the East European political scene.

There has been and will continue to be concern in the West about three related issues.

The first concern involves the extent of Western economic assistance to Eastern Europe. Financial constraints will be the first obstacle. The problem is how to determine the criteria for the allocation of limited resources. So-called humanitarian aid aside, is Poland more important to the United States, for instance, than the Philippines?

Assuming Poland will continue to receive Western assistance, it will remain a subject of heated political debate whether assistance should include what that country needs most, which is debt relief. For if the West decides to give preferential treatment to Poland, will not other indebted nations in Latin America and elsewhere ask for and expect similar concessions? Will not Poland itself conclude that its future debts will be forgiven as well? Western Europe more than the United States, and West Germany more than any other West European state, can be expected to support particularly those countries that will initiate radical economic and political measures. East European countries with a free enterprise system will easily persuade

private Western firms to invest and do business there, especially if the profit they will make is available in hard currency. East European countries that practice political democracy will persuade Western governments to encourage such business activity and also to remove existing barriers from the free flow of goods.

The second concern involves the Soviet Union. The problem is that the West does not and will not have sufficient influence to make a significant contribution to the Soviet Union's democratic evolution. The West has a stake in what Gorbachev stands for and, indeed, in the rise of an increasingly democratic Soviet political order. Given the limits of outside influence on the Soviet domestic scene, however, the West can do no more than to applaud Gorbachev's efforts, conclude arms control agreements that serve both sides' interests, and ease trade restrictions.

Whether these otherwise important steps will make a difference for Soviet domestic developments is highly doubtful. Almost irrespective of what the West will do, it appears that the Soviet Union will encounter greater convulsions in the early 1990s than what Eastern Europe experienced at the end of the 1980s. For the West, the issue is how to prepare for the international consequences of Gorbachev's probable failure to implement his ambitious objectives.

The third concern is the future of European security. As the dangers associated with the cold war disappear, the sense of clarity it offered will disappear as well. Being somewhat removed from the scene, Americans, in particular, will no longer be able to distinguish between friends and adversaries, NATO and the Warsaw Pact, democrats and communists. There will be no alternative in the 1990s to exchanging the simplicity of a divided Europe for the complexity of a united Europe. Without the Iron Curtain and the Berlin Wall, novel security arrangements will have to be created that take into account both the new geopolitical reality and the possibility that a convulsive Soviet Union will become an unpredictable Soviet Union.

While American influence over Soviet domestic developments will be marginal, and while its role in Eastern Europe will be important but less than critical, the United States will have to lead the West in the search for a dependable and lasting security formula for Europe. As the only superpower in the world of the 1990s, the United States can no more abdicate its responsibility for Europe than it can relinquish its own security interests.



THE BLOC THAT FAILED  
Soviet-East European Relations in Transition

Charles Gati

Moscow Retreats

From Reform to Revolution

"The most dangerous time for a bad government," according to Alexis de Tocqueville, "is when it starts to reform itself." His time-honored observation has come to apply to the Soviet Union. But for Moscow's imperial domain in Eastern Europe -- for the bloc that failed -- a variation on de Tocqueville's theme is closer to the truth: For bad governments, whose survival depends on a foreign protector, the most dangerous time is when their protector starts to retreat.

In 1988, the Polish and the Hungarian regimes began to respond both to growing domestic challenges to their rule at home and to mixed signals from Moscow. By July of that year, Zbigniew Brzezinski, the former National Security Adviser to President Carter, identified the region's condition as "prerevolutionary."<sup>(1)</sup> Phrasing more cautiously, I also noted at the end of 1988 that as the ideological "foundation of the East European alliance is sinking [and as] the edifice of its socialism is cracked," the Soviet bloc has turned into "a shadow of its former self." Even "the term 'Soviet bloc' is becoming a political misnomer," I added.<sup>(2)</sup> Gorbachev's speech

at the United Nations in December 1988, announcing that Moscow would unilaterally withdraw some of its forces from Eastern Europe independent of any corresponding measures by NATO, was particularly illustrative of the fading of Moscow's imperial aspirations.

The Soviet military decision to retrench contained a critical political message to the region's communist leaders: The Soviet Union would no longer protect unpopular East European regimes against their own peoples. Once that message was conveyed and absorbed, reformers and diehards alike were left with the choice of either making the best deal they could with their own populations or using force to break the people's will.

The Romanian, Bulgarian, Czechoslovak and East German regimes, the region's "gang of four," opted to maintain repressive, one-party rule. Their decisions were based on their desire to stay in power. Mistakenly, they assumed that they had greater popular support than they did; they certainly did not regard the political situation in their countries as explosive or indeed "prerevolutionary." Even without Soviet protection, they believed that they could handle what they assumed was a small minority of oppositionists seeking radical change. At any rate, they expected that Moscow would change its hands-off position if it were faced with an anticommunist revolution. They convinced themselves that Gorbachev or his successors would inevitably revert to the principles of the Brezhnev Doctrine rather than permit large-scale defections from the communist fold.

The less rigid Polish and the Hungarian communist regimes interpreted the Soviet message to mean that, like Gorbachev, they should reassess the past, blame current problems on their predecessors, and proceed toward the implementation of radical, if unspecified, reforms. Unlike Gorbachev, however, they entered into formal discussions, first in Poland and later in Hungary, with leaders of the democratic opposition. Although their original intention was no doubt to coopt the opposition into the existing governments and thus create the appearance of power-sharing, the roundtable discussions eventually produced the transformation of one-party rule under peaceful, if often contentious, conditions. Hence the changes brought about by these reform-minded communist regimes ultimately turned out to be far more extensive than the ones they had intended to make.

Gorbachev's motives to let his East European allies fend for themselves remain both controversial and, indeed, unclear. His preoccupation with Soviet domestic problems was undoubtedly a compelling factor. Other factors included his desire to reduce the Soviet military budget, and, to further that goal, withdraw Soviet forces from the region. Yet these eminently sensible and rational reasons must be viewed in the context of Gorbachev's personal frustration with the "gang of four" and their resistance to his own perestroika and glasnost. As the ambitious Soviet leader of a huge empire, Gorbachev could ill afford to tolerate a Ceausescu, Zhivkov, Honecker, or Jakes forever.

Whether Gorbachev fully understood the likely consequences of his decisions remains uncertain as well. It is quite possible, however, that he misjudged East European popular sentiments by assuming that his version of reformist communism would take root in the region. Deluded by shouts of "Gorby! Gorby!", he may have confused the East Europeans' genuine respect for his personal courage and for what he was doing in the Soviet Union with support for reform-communism in Eastern Europe. Gorbachev may have expected that his policies would prompt the reform of the region's orthodox communist regimes, but not foreseen revolutions against communism itself.

In the end, most of Eastern Europe experienced a series of stunning revolutions rather than step-by-step reforms. The changes came about in this manner not only because the old regimes had delayed making the concessions necessary to appease their peoples. In addition, both Moscow and the East European regimes had seriously underestimated the passions emerging among the East European peoples, mistaking their past apathy for permanent acquiescence. The Soviet leadership, in particular, failed to anticipate that the East Europeans would interpret Soviet military retrenchment as political retreat and would press for a change of the system rather than of the current regimes.

Although it does not speak well for Gorbachev's prescience that he failed to discern the region's anticommunist, prerevolutionary condition, it is to his credit that he refused to fight fire with fire. Indeed, when East Germany's Honecker

recognized that only massive force could stem the tide against communism in his country and directed his security forces to shoot the demonstrators if necessary, it appears that Moscow actually encouraged Egon Krenz, the second in command in East Germany, to countermand Honecker's order. At this critical juncture, Gorbachev allowed the reform he had hoped for to turn into revolution. Elsewhere, too, Gorbachev refused to be drawn into a costly and potentially dangerous effort to save his dominion. Even when the Berlin Wall was breached and thus the most vital of all Soviet geopolitical interests was threatened, Gorbachev was silent. He may have believed that in the end the East European revolutions would not damage his country's long-term interests and, indeed, they might even improve his own position.

One of the first clues to Gorbachev's so-called "new thinking" about Eastern Europe emerged in April, 1988 when the CPSU abolished the old Department for Liaison with the Communist and Workers' Parties of Socialist Countries. At the same time, the Politburo created a Commission on International Policy and appointed Aleksandr N. Yakovlev, one of Gorbachev's two or three closest advisers, as its chairman. The purpose of the newly created Commission was to coordinate the activities of Soviet foreign policy around the world, including in Eastern Europe. The organizational change had the effect of lessening the importance of the region, signalling that it would no longer be treated as a special case. Moscow's East European policy was now to be made in

the context of global and geopolitical rather than ideological considerations.(3)

No comparable organizational changes occurred in the Ministry of Foreign Affairs in 1988 or since then. However, the role of the ministry in handling East European affairs has markedly expanded from handling routine matters to becoming an active participant in making as well as implementing policy. The department in the ministry responsible for East European affairs has been upgraded. The growing importance of the Ministry of Foreign Affairs in matters relating to Eastern Europe, as well as on all foreign policy issues, appears to stem from the position Politburo member and Foreign Minister Eduard Shevardnadze has come to occupy in the Soviet hierarchy.

In addition to organizational changes that resulted in Eastern Europe being merely an important region of Soviet concern rather than a central one, another early clue to Soviet intentions that appeared in early- and mid-1988 was a series of what were termed unofficial interviews, articles and comments about the region by Soviet foreign policy specialists. At the time, it was unclear whether these observations (by Academician Bogomolov, Fyodor Burlatski, and others) reflected official thinking. When they, but not yet official spokesmen of the Soviet government, declared the Brezhnev Doctrine "dead," Western analysts were uncertain whether this was merely wishful thinking on their part. However, by the time a long, substantial, and strikingly self-critical assessment of past Soviet policies toward Eastern

Europe was published in July, 1988, there was increasing indication that its authors, staff members of the Institute of Economics of the World Socialist System, represented either the official position or the dominant official position. But important differences of opinion remained. In February 1989, when Academician Oleg Bogomolov asserted that even Hungarian neutrality would not necessarily represent a threat to Soviet security interests, his statement was disavowed by a high-ranking Soviet official. Bogomolov's professed retraction, which he issued subsequently, turned out to be no retraction at all.

Only in retrospect has it been possible to confirm that, with the Politburo undecided and Gorbachev still deflecting questions about the history and the future of the Brezhnev Doctrine, wide-ranging debates over Moscow's East European policy were taking place throughout 1988. Officially, the new policy began to take shape only in the immediate aftermath of Gorbachev's United Nations speech (December 1988), when the Soviet leader announced that by the end of 1990 some 240,000 men, 10,000 tanks, 8,500 guns and 820 combat aircraft would be withdrawn from Eastern Europe and the European regions -- the so-called western military districts -- of the Soviet Union.

More than any other single event, that announcement set the stage for the dramatic developments of 1989. By suggesting that Moscow was prepared to remove Soviet forces from its East European dominion, Gorbachev put the region's communist leaders on notice that Soviet tanks would no longer protect their rule. It did not

take long for the peoples of Eastern Europe to understand that their leaders were therefore vulnerable -- indeed, that some of them were, in effect, on the run.

#### From Poland to Romania

It was the Jaruzelski regime in Poland that first responded to the implications of the new Soviet position. After long denigrating Lech Walesa and dismissing "Solidarity" as a relic from the past with no significant popular support, the Polish government reconsidered its position at the very end of 1988 and accorded the independent union legal status in January 1989. Fearful of losing their privileges and unwilling to give up their leading role, many party leaders so strongly opposed the move that Jaruzelski and his three closest advisers threatened to resign if the party did not follow their recommendation.(4)

Having swallowed its pride, the Jaruzelski regime also agreed to hold free elections in June, 1989 on the condition that the communists and their parliamentary allies, who were nominally noncommunist and until then insignificant, could remain dominant in Sejm, the lower chamber of the legislature. The results of these partly free, partly arranged elections turned out to be as unexpected as they were stunning. In the new upper chamber, the Senate, "Solidarity" won all but one seat (99 out of 100). In the Sejm, all but two of the thirty-five top party and government officials who had run unopposed (as the result of the deal between

the government and "Solidarity") lost their seats when more than half of the voters had chosen to cross out their names.

Nothing like this had happened in Eastern Europe in four decades. The novelty of the situation sparked both considerable tension and the reemergence of political maneuvering. In order to avoid a crackdown by the communists and the secret police, for example, "Solidarity" supporters in the new legislature helped reelect Jaruzelski as president, albeit by only one vote. Sensing the direction of the political winds, the former allies of the communists -- the obedient fellow-travelers who had supported every twist and turn in Polish politics since the late 1940s -- rediscovered their democratic past and joined the noncommunist side. With that move, "Solidarity" became the majority force in the legislature.

By August, 1989 President Jaruzelski had to decide who would be Poland's next prime minister. Because many party hardliners opposed the appointment of a representative of "Solidarity" to the post, and because their consent was deemed essential for a peaceful transition, Gorbachev made a critical telephone call to Mieczyslaw Rakowski, the party leader. Given the party's subsequent decision to abide by the will of the people and the legislature, it is clear what Gorbachev's message was. He presumably told Rakowski that the Soviet Union would accept a Polish government with a communist minority. The man who was then promptly appointed prime minister, Tadeusz Mazowiecki, was a prominent Catholic intellectual and senior "Solidarity" leader. However, the communists were

allowed to retain control of defense and internal affairs in the new government.

There were many reasons why the Polish communists agreed to hold largely free elections. The polls they had commissioned, publicized, and may have even believed did not indicate that they would be swept away. At the end of 1988, for example, their polls revealed that popular support for "Solidarity" had waned as Jaruzelski's personal popularity had increased. Thus, although the communists did not expect to win the elections, they believed they would receive one-third of the vote in the Sejm; if they did, they would be able form a government with the help of the allied parties and deliver a crushing blow to "Solidarity" and its Western supporters. At worst, they were prepared to grant "Solidarity" a few insignificant cabinet posts and thus create an illusion of a coalition government. But their polls completely misinterpreted the popular mood. As it turned out, only the preelection deal and tactical considerations by the "Solidarity" leadership after the elections saved the communists and Jaruzelski himself from being completely removed from the stage of Polish politics.

The ultimate decision to abide by the results of the election may have been prompted in part by Gorbachev's telephone call, coupled with growing public hints in mid-1989 that the Soviet leadership was utterly serious about retreating from Eastern Europe. Speaking to the Council of Europe in Strasbourg on July 7, 1989, in the midst of postelection maneuverings in Poland, Gorbachev went further than ever before to emphasize "new thinking"

in Soviet policy toward Eastern Europe. While maintaining that "existing realities" in Europe must be respected and that Western attempts at "overcoming" socialism in Eastern Europe would provoke "confrontation," his central message was a firm rejection of the Brezhnev Doctrine:

Social and political orders in one or another country changed in the past and may change in the future. But this change is the exclusive affair of the people of that country and is their choice. Any interference in domestic affairs and any attempts to restrict the sovereignty of states, both friends and allies or any others, is inadmissible. (5)

The other consideration undergirding the Polish communist decision to respect the election results was the condition of the economy. With good reason, many party members assumed that no Polish government would be able to cope with the problems ahead. If a "Solidarity"-led government were to introduce austerity measures, or if prices were to increase, factories close, and unemployment develop, the people would blame whatever party was in power. Why not, these communists reasoned, permit "Solidarity" to try -- and then to fail? In the meantime, the communists would have the chance to regroup by shedding the communist name and emerge as social democrats. In their new guise, they would support some austerity measures and oppose the most unpopular ones, while pointing out that they were not responsible for either the high prices or for unemployment. They would thus await their turn.

Moreover, by remaining in charge of the main sources of power, such as the presidency itself as well as defense and internal security, they were not left without options -- even if, to the extent these options entailed the use of force, they would result in a civil war. For after all that has been gained, the Polish people would not easily relinquish what they have achieved.

As in Poland, the first major step toward democracy was taken in Hungary in January 1989, when the parliament approved several bills legalizing the right of assembly and association. In February, the ruling party, abdicating its leading role, also approved the creation of independent political parties. Unlike in Poland, however, the pressure for change originated primarily in the communist party, formally known as Hungarian Socialist Workers' Party (HSWP). Initially, the opposition, while vocal, was small and isolated. It also lacked a leader of Lech Walesa's stature and broad appeal.

The struggle for supremacy within the party put two factions in contention against one another. One, led by General Secretary Karoly Grosz, was kept on the defensive by the reformers led by their rapidly rising star, Imre Pozsgay. Of the many issues debated, of particular importance was the largely theoretical question of the party's past in general and, specifically, its role in the 1956 revolution. In February, the party resolved that its historic position on 1956 as a "counterrevolution" was wrong and that what took place in 1956 should instead be regarded as a popular, national uprising against oppression. Without explicitly

stating it, the document produced by the party under Pozsgay's guidance also rejected its earlier positions that accepted and justified the Soviet intervention that had crushed the uprising.

How a communist party evaluates its past may not, at first blush, seem important. But in Hungary the issue helped mobilize the public against Grosz and his followers. Responding to the popular mood, the majority of his Central Committee colleagues promptly disassociated themselves from Grosz's more orthodox values. He suffered a striking political setback in June when, with the participation of the party's reformist wing, a newly-formed independent group, the Committee for Historical Justice, arranged for a ceremonious reburial of the leaders of the 1956 revolution. Broadcast live on Hungarian radio and television, and reported around the world, the event, attended by hundreds of thousands of people in Budapest's Heroes Square, showed that freedom of association was a reality and not merely a disembodied right. Although Grosz retained his post as the party's general secretary, he was demoted. In the newly created four-member party presidium, Rezso Nyers, the party chairman, became first among equals. The presidium's other members were all dedicated reformers.

No week in 1989 passed without some significant sign -- be it a statement, a demonstration, or an actual measure -- toward the dismantling of the old order. In May, for example, the government began to disassemble the barbed-wire fence and other electronic devices -- the paraphernalia of the iron curtain -- along its border with Austria. The same month Pozsgay, in an interview with

Magyar Hirlap, the official daily, acknowledged for the first time what was obvious to all but never conceded by the party: that competition with other parties "entails the possibility of losing [the monopoly of] power." In principle, although not yet in practice as in Poland, the HSWP was thus moving well beyond a Gorbachevian "reform" and "democratization" toward the introduction of a multiparty political system and a true, mixed economy. Many thought and even more hoped that a new Hungary would eventually follow the Austrian model.

For a brief moment in July, it seemed that the HSWP's reformist wing might still play an important, if no longer dominant, role in Hungarian politics. The reformers were doing well in the public opinion polls; their democratic opponents, largely unknown, were not. The death of Janos Kadar on July 7, 1989 offered the party the opportunity to place blame on him for the country's problems, and indeed for the crimes of his thirty-two-year rule. But the moment of political opportunity passed quickly, as the fragmented party, divided against itself, could neither take advantage of the popularity of some of its leaders nor sufficiently disassociate itself from Kadar's legacy.

Not that the party did not try to increase its popular support. In September, for example, in clear violation of its treaty with East Germany, the government -- still controlled by the party -- made the unprecedented decision to allow tens of thousands of vacationing East German tourists to leave Hungary for West Germany. The purpose of the decision was to demonstrate to the

Hungarian public as well as to Western public opinion, and particularly - the West German government, that Hungary was different; that it would apply the Helsinki Accord's provision concerning the free movement of people even to the citizens of another state. The intended effect on the Hungarian public was to encourage it to view the party and the government as its own. West German opinion was important, as well, because West Germany was, and remains, Hungary's most generous economic benefactor. What is not known is whether the Hungarian authorities made their decision in collusion with the Soviet Union. If they did, an additional purpose of the move could have been to undermine the Honecker regime in East Germany by depriving that country of precisely those citizens who could afford to travel and who thus tended to be members of East Germany's professional elite.

But despite this extraordinary gambit, which was to spark the fall of the Honecker regime in East Germany, the Hungarian communist party continued to lose ground. At its extraordinary congress in October, the HSWP not only abandoned Leninism and declared itself in favor of "democratic socialism," but it also ceased to exist as the Hungarian Socialist Workers' Party, and reconstituted itself as the Hungarian Socialist Party (HSP). What mattered, in practice, was that party members were asked to reenroll in the party, a decision that was intended to emphasize the difference between the new HSP and the old HSWP. But the decision turned out to be a major blunder. Of the approximately 700,000 party members, only 30,000 chose to join the new party.

Even several members of government, including a deputy prime minister and the minister of justice, failed to reenroll. Prime Minister Miklos Nemeth, although a party member, subsequently resigned from the HSP's presidium. Even more ominous for the party, the hardliners supporting Grosz promptly denounced the HSP for embracing "bourgeois democracy" -- and then recreated the old HSWP to compete for the presumably very small Leftist vote.

By the end of the year, while the communists grew weaker, the opposition parties quarreled among themselves. Although all were agreed that parliamentary elections would be held in early 1990, they were divided over whether the country's president should be elected before or after the parliamentary elections. Hoping to get a head start and seeking to take advantage of Pozsgay's remaining popularity, the Hungarian Socialist Party sought an early date for the presidential elections. The Hungarian Democratic Forum, the largest opposition party at that time, agreed, partly because it was not entirely opposed to Pozsgay's candidacy but mainly because it wanted an elected rather than an interim president to occupy the office as soon as possible. On the other hand, the Association of Free Democrats and the Young Democrats, the most consistently pro-Western of the Hungarian parties, feared that Pozsgay as president would manage to dominate the political scene before parliamentary elections. To widespread surprise, they collected enough signatures to hold a popular referendum on the issue, and, if only by a small margin, they won. As provided by the constitution and validated by

the referendum too, an elected parliament -- as the main source of legitimate authority -- will thus chose Hungary's next president.

The issue was significant because it showed that the HSP could not achieve its goals even with the active backing of the major opposition party. Even Pozsgay, who was "Hungary's Gorbachev" years before Gorbachev's own perestroika and who was far more radical than the Soviet reformer, could not overcome his communist past in the eyes of the electorate. The referendum also demonstrated the atomization of Hungarian politics on the eve of free elections. Indeed, the country was in a state of great anxiety. The most persistent fear was that Hungary might experience the pattern long associated with Italian politics: serial governments coming and going, each attempting to cope with the country's problems and remaining in power for only a brief period of time.

A more optimistic, and perhaps even more accurate, interpretation would emphasize that in 1989 Hungary underwent only the first phase of its peaceful revolution. That phase signified the destruction of the old system, which was accomplished with neither violence nor bloodshed. The second phase, which had only begun in 1990, will entail the construction of a democratic, pluralistic political and economic order. Given the need for harsh austerity measures in the economic realm and the prospect of continued discord in the political realm, this phase, too, promises to be difficult and yet ultimately successful. For despite disagreements over details, there is a broad consensus among Hungarians that the historic opportunity of the moment, a unique

chance to be independent and to build lasting democratic institutions,- cannot and should not be missed.

In East Germany, the first phase of the revolution took no more than a few weeks. After 18 years in power, and faced with massive demonstrations and considerable Soviet pressure, Erich Honecker stepped down as president and party leader on October 18, 1989. His initial replacement, a Politburo member and the former security chief, Egon Krenz, resigned 46 days later, on December 3. During his tenure, on November 9, 1989, a day that will be long remembered, East Germany effectively dismantled the Berlin Wall by physically removing sections of it and allowing unrestricted travel from East to West and West to East.

Yet even this extraordinary measure failed to help Krenz and his party. The communists were already so discredited that they chose as their next leader a political unknown, Gregor Gysi, while another reform-minded communist from Dresden, Hans Modrow, became prime minister in a cabinet still dominated by communists. Even so, Honecker's old guard was gone, expelled from the party they had served for decades. Some were sent to jail, while others were placed under house arrest, awaiting trials on charges of corruption. In a number of days, the East German communist system collapsed.

Erich Honecker, as the self-appointed chief of the "gang of four" and the rigid guardian of communist orthodoxy, supporter of Romania's Ceausescu and the only Warsaw Pact leader to condone China's brutal oppression of the pro-democracy movement at

Tienanmen Square in the summer of 1989, was a Stalinist in Brezhnevite clothes. He paid lip service to perestroika but did not practice it. He kissed Gorbachev, as he had Brezhnev, on both cheeks, but ideologically kept his distance. He ruled East Germany as if he could both defy Gorbachev and depend on the 360,000-strong Soviet garrison stationed in his country to preserve his rule.

Honecker's calculation was not without merit. He may have even expected that Gorbachev would one day attempt to replace him by a younger and more reform-minded leader. But he could not imagine that the Soviet Union would acquiesce in the dismantling of the Berlin Wall, consider the reunification of Germany under West German auspices, and thus, in effect, relinquish without a fight or even a serious complaint its most valuable parcel of land in Europe. Had it ever dawned on Honecker that this could happen, this ever-suspicious Stalinist might have concluded that Gorbachev was a renegade who had set out to undermine communism from within.

The ultimate challenge to Honecker and indeed to the East German regime came from an unexpected source. When Hungary, with or without Moscow's approval, suddenly allowed about 60,000 East German tourists to leave for the West, thousands of other East Germans flooded Prague and Warsaw as well. To stop these refugees from escaping, Honecker would have had to seal his country's borders with Czechoslovakia and Poland and thus transform all of East Germany into a single prison. While under normal circumstances he might well have ordered a new "iron curtain" between East Germany and its socialist neighbors, he was reportedly bed-ridden

from late July to September and thus took no action to stem the rising tide of refugees.

The sight of so many East Germans escaping to the West prompted massive demonstrations for free travel and other human rights throughout the country. It is difficult to identify a particular day as the one on which the revolution against the old order began, but if there was such a day it was October 7, when Gorbachev attended the fortieth anniversary celebration of the foundation of East Germany. In his speech, Gorbachev did not praise Honecker; he praised perestroika. Ten days later, Honecker resigned. The party was over. His departure only encouraged the oppositionists to increase their demands. Led by the New Forum, a new and amorphous political group, they pressed for free elections and the complete removal of the Berlin Wall. As the new leadership promised to consider reform, including more permissive travel regulations and election laws, growing numbers of East Germans joined the protest movement. By now de Tocqueville's formula fully applied: the promise of reform by the regime sparked the promise of revolution by the people. The post-Honecker regime was on the defensive. On November 4, a crowd of half a million people demonstrated in East Berlin while an additional half-million turned out in other cities throughout the country. Five days later, the Berlin Wall was open.

By the end of 1989 new political parties and movements had appeared on the East German political scene. Some advocated a united Germany, others preferred a separate East German entity.

Most East Germans sought a new economic order that would combine the productivity associated with capitalism with the security associated with socialism. All, however, desired political pluralism. In the upcoming elections, the social democrats appeared to have the edge.

While communists still controlled the government, the government no longer controlled the population. In fact, the popular revolution against the communist system -- and not only against the Honecker regime -- has proved victorious. With the press already free, travel unrestricted, and genuine, parliamentary democracy within reach, the most serious issue remaining on the agenda was the future of East Germany and the rise of a new German state, an issue that involved, of course, the future of all of Europe.

Until its stunning and successful transition from dictatorship to democracy in November, 1989, Czechoslovakia was an anachronism in Gorbachev's world of reform and renewal. In political, cultural, and economic matters, orthodoxy prevailed. The main roadblock was the leadership's need to defend and justify its old policies. Before he retired in 1988, for example, Politburo member Vasil Bil'ak spoke for the entire leadership when he stated that the only policies that should be adopted are those which demonstrate "the strengths and advantages of socialism." He repeatedly warned against what he termed the "opportunistic" emulation of Gorbachev's program, emphasizing the lessons of the "the struggle against the enemies of socialism in the 1960s." In an earlier speech, he had

reaffirmed the validity of a resolution, adopted by the Czechoslovak Central Committee in December 1970, that had defined the country's harsh, oppressive course since the 1968 "Prague Spring." "There are those," said Bil'ak, alluding to Gorbachev, "who would like to have that document nullified, but this will not be done." (6)

As early as 1987, Moscow sought to discredit and perhaps even to dislodge the very leaders it had put in power after the 1968 Soviet intervention. When Gorbachev visited Prague in the spring of 1987, and was asked by Western reporters to clarify the difference between Dubcek's "Prague Spring" and his own perestroika and glasnost, his spokesman, Gennadi Gerasimov, replied in two memorable words: "Nineteen years." But Gorbachev himself shied away from openly criticizing Brezhnev's proteges in Prague. At that time, he was guided by the belief that the extension of his process of renewal to Czechoslovakia might destabilize that country. This is why Gustav Husak, who resigned as party leader in December 1987, remained the country's president, and his replacement as head of the party, Milos Jakes, was Husak's younger but equally hard-line replica.

Not until the summer and early fall of 1989 were there any overt signs of increased Soviet concern about the Czechoslovak leadership:

\* On August 8, Izvestia carried a long interview with Rudolf Hegenbart, then head of the Czechoslovak Central Committee's Department for State Administration and thus the party's direct

supervisor of the secret police. The interview was unusual in that Hegenbart had taken a most critical view of Czechoslovak conditions. Because they did not reflect the party line, Hegenbart's remarks were not published in the Prague press, as would have been customary, and he was reprimanded by his Politburo superiors. Since Hegenbart's position in the Czechoslovak party suggested that he was closely associated with the KGB and since the interview appeared in the Soviet government's official daily, it is quite likely that he was encouraged by Soviet officials to state the views he voiced.

\* In an interview that was broadcast on September 4 on Hungarian television, Kiril Mazurov, a former candidate or associate member of the Soviet Politburo, expressed regret over the 1968 Soviet intervention. This was another extraordinary interview, because Mazurov also revealed that, under the pseudonym "General Trofymov," he himself had led the Warsaw Pact forces against Czechoslovakia in 1968. Mazurov also stated that, "In my view, the old guard [in Prague] should, without any special fuss, step down from the stage of politics."

\* On September 17, Izvestia published a letter to the editor from Jiri Hajek, Dubcek's foreign minister, doyen of the Czechoslovak democratic opposition since 1968, and a political persona non grata in Prague. In his letter, Hajek clarified Dubcek's role during the "Prague Spring." In Czechoslovakia itself, even the publication of the author's name had been forbidden since 1968.

\* In the second half of September, a Soviet television crew appeared in the Slovak capital of Bratislava to tape a long interview with the great hero of the "Prague Spring," Alexander Dubcek. Although Czechoslovak authorities are said to have protested the crew's presence, excerpts from the interview were nonetheless broadcast on Leningrad television in October.

Such evidence on the public record thus demonstrates that Moscow began a persistent campaign in August 1989 against the post-1968 leadership in Prague. By the end of September, it was clear to leaders of the opposition and to party officials as well that the country's old guard did not have Moscow's support. As Jiri Dienstbier, a leading opposition figure who was to become Czechoslovakia's foreign minister in December 1989, said in a private conversation at that time: "The party is dead, but we don't know yet when the corpse will be buried."

The corpse was buried far sooner than anyone, including Dienstbier, had ever expected. By October, the party found itself caught between its habit to use force and its fear of confrontation without Soviet backing; it appeared divided and hesitant. With the danger of being arrested or hurt thus lessening, the people took to the streets in ever greater numbers. They were also encouraged by the sight of so many East German refugees in their midst and, especially, by the breaching of the Berlin Wall. If even the East German regime was as vulnerable as it was proving to be, then surely the Czechoslovak regime could not last much longer either.

Another demonstration, on November 17, turned into a last-ditch attempt-by the Prague regime to use force in defense of its waning authority. But it was too late. Three days later, in response to police brutality, 200,000 people showed up in Prague's historic Wenceslaus Square to demand free elections and the resignation of the communist leadership. Czechoslovakia's momentous revolution of 1989 was underway.

General Secretary Jakes, who resigned on November 24, was replaced by Karel Urbanek, a man neither known nor, therefore, widely hated. Prime Minister Ladislav Adamec resigned on December 7, and he was replaced by a communist reformer and a political novice, Marian Calfa, whose coalition government included more independents than (reform) communists. On December 10, at last, President Husak also resigned. The new president, Vaclav Havel, a playwright, was the brave and cultivated leader of the post-1968 Czechoslovak opposition who had spent years in prison for his political activities. His countrymen as well as many in the West identified him as the conscience of democratic Czechoslovakia.(7)

In addition to Havel, Czechoslovakia's new leadership included Dubcek, the hero of 1968, the man who returned from oblivion to become head of parliament; Dienstbier, the new Minister of Foreign Affairs, who, when not in prison for political activities, had for years earned his living as a coal stoker; First Deputy Prime Minister Valtr Komarek and Deputy Prime Minister and Minister of Planning Vladimir Doulhy, of the Academy of Science's Institute of Forecasting, who would both soon resign from the communist party;

Minister of Finance Vaclav Klaus, lately of the same institute, an economist who was long unemployed for his role in the 1968 "Prague Spring" and who became converted later to the free-market philosophy of Milton Freedman; and -- still another political miracle -- Jan Carnogursky, presently in charge of internal affairs and thus also of the police, a Slovak Catholic who was released from prison for his human rights campaign only two weeks before his appointment to the cabinet in November.

The background of such leaders and the relative ease with which the new political order was born bode well for Czechoslovakia's future. Divided, discredited, and defeated, the communists still retained a few government portfolios, but they had, in fact, lost all credibility. The support they had counted on from the working class never materialized. Moscow also welcomed developments in Prague by endorsing the Czechoslovak party's latest position regarding the "Prague Spring" and thus, finally and formally, renouncing the Brezhnev Doctrine:

In 1968, the Soviet leadership of that time supported the stand of one side in an internal dispute regarding objective pressing tasks. The justification for such an unbalanced, inadequate approach, an interference in the affairs of a friendly country, was then seen in an acute East-West confrontation. We share the view of the Presidium of the Central Committee of Czechoslovakia and the Czechoslovak Government that the bringing of armies into Czechoslovak territory in 1968 was unfounded, and

that that decision, in the light of all the presently known facts, was erroneous. (8)

If Czechoslovakia experienced a peaceful, successful, and profoundly democratic "revolution with a human face" in 1989, what happened in Bulgaria was essentially a Soviet-inspired "palace revolution." For the day before Todor Zhivkov's dismissal as head of the party on November 10, his long-serving Minister of Foreign Affairs, Petar Mladenov, was in Moscow, holding talks with high-level Soviet officials. In Moscow, he learned of the accommodating Soviet attitude toward the breaching of the Berlin Wall. On his return to Sofia, the Central Committee elected Mladenov -- immediately and unanimously -- to be the party's new leader. Before his ouster, Zhivkov had attempted to save his regime by agreeing to implement some of the reforms he had long promised to introduce. After he took over the reins of power, Mladenov also promised immediate, if moderate, reforms that would guarantee freedom of expression, the separation of the functions of the party and the state and hence a larger role for parliament, and the gradual decentralization of the economy. Initially, the new Bulgarian leader was not prepared to give up the party's leading role and he rejected calls for a multiparty system. But as the news of momentous changes in East Germany and in Czechoslovakia reached the Bulgarian people and as the crowds at the opposition rallies grew, the Gorbachev-like reforms that Mladenov had promised proved insufficient to satisfy the country's increasingly radical mood. The various independent groups, all small and ineffectual

individually, created a new umbrella organization, the Union of Democratic Forces, which demanded greater concessions. By mid-December, with the communist party in disarray, Mladenov acceded to some of the demands by announcing that competitive elections would be held in the near future.

In effect, Bulgaria was following a reform-communist course on the Soviet pattern; the changes, by comparison to Poland or Czechoslovakia, were limited. Yet the potential for further progress was also considerable. With Zhivkov and several of his colleagues facing trial on charges of corruption, the Bulgarian "palace revolution" against the old communist order had been won. Meanwhile, another -- popular -- revolution against the new, reform-minded communist system began. As the country entered the 1990s, it seemed that while several transitional regimes would probably still have to come and go, Bulgaria was not going to remain far behind in the East European surge toward political and economic pluralism.

Bulgaria's neighbor to the north, Romania, experienced the last, and only violent, revolution in Eastern Europe. It was the last revolution and it was violent for the same reason: Nicolae Ceausescu. His resistance to change over the years and his order to shoot the demonstrators in the Transylvanian city of Timisoara in mid-December unleashed the passions of hate and vengeance against him, his family, and communist rule.

The immediate cause of the Romanian revolution was Ceausescu's decision on December 15 to arrest a Protestant minister, Laszlo

Tokes, a champion of the rights of the two-million strong ethnic Hungarians in Romania. When Tokes sought refuge in his Timisoara parish that his followers surrounded in order to prevent his arrest, agents of the Securitate, the notorious secret police, attempted to remove him by force. In the ensuing riots, Securitate forces opened fire on the crowd, causing hundreds to die and the local rebellion to begin. Within hours, all of Romania was inflamed.

In the capital city of Bucharest, Ceausescu made an ill-fated attempt to mobilize his supporters. At a rally, he demanded an end to the "counterrevolutionary" uprising. In a barely veiled reference to Moscow, he cried out against "foreign conspirators" who were supposedly trying to overthrow his "socialist" regime. As his obedient followers in the square saluted their great leader and applauded his words on command, a few courageous students suddenly interjected with shouts of denunciation of the egomaniacal ruler. They were immediately arrested, but, because of live coverage of the event on television, millions of Romanians had a chance to witness the incident. The long-sustained myth of Ceausescu's invulnerability shaken, a nationwide uprising against his despotic rule got underway.

With the Ceausescu family on the run, desperate Securitate elements, fighting for their lives now, took on the army and the revolutionaries. Ferocious battles were being waged on the streets, in secret tunnels under the capital city, at the airport, and especially near the radio and television station. On Christmas Day,

an unapologetic Ceausescu and his wife, who were both captured two days earlier, appeared before a military tribunal, which found them guilty after a short trial and ordered their execution. Two hundred soldiers reportedly signed up for the privilege of being in the firing squad.

There were many unanswered questions about the Romanian uprising. It was unclear who ordered the army to join the revolutionary side and why that order was so promptly and widely obeyed. It was unclear what role a group of reform-minded, anti-Ceausescu officials, who had previously served his regime, had played in instigating the revolt and then how they seized its commanding posts. It was also unclear, finally, whether the Soviet Union had been in touch with and had encouraged these ex-communist officials, who so promptly formed the provisional government under the auspices of the newly established Council of National Salvation. One tentative answer was that in 1989 Romania had simultaneously experienced both a popular revolution that was there for all to see and a "palace revolution" that had taken place behind closed doors.

Because the revolution against the Ceausescu regime had been decisively won, there was nevertheless much to celebrate. No regime in recent European history has been more oppressive, more brutal, more corrupt, more oblivious to international standards of behavior, more self-righteous, more pompous, and more ridiculous in its empty claims than the one that the Ceausescu family had established and controlled. Its immediate successors in the

provisional government, who appeared to be transitional figures, will have to demonstrate that they can shed Ceausescu's legacy and, indeed, lead Romania from dictatorship to democracy.

#### Summing Up

The East European revolutions of 1988-89 may be classified and analyzed according to the following categories and considerations:

Time. - If the beginning of the Polish revolution is put to August 1980 when "Solidarity" was founded, it took Poland nine years to reduce the communists to a supporting role in that country's unfolding political drama. If the Hungarian effort to establish a multiparty democracy began with the legalization of independent political parties in February 1989, it took Hungary one year to eliminate the communists' monopoly of power. If the East German revolt began with the removal of Erich Honecker from the leadership in October 1989, it took East Germany three months to move toward a competitive political order. If the Bulgarian revolt against Todor Zhivkov's despotic rule began with his ouster in November 1989, it took one month for his successors to promise free elections. If the bloody Romanian uprising began with the clash in Timisoara in December 1989, it took ten days to get rid of the Ceausescu family (and one month for the new provisional government to call for competitive elections). Finally, if the Czechoslovak pro-democracy movement can be said to have registered its first major achievement with the resignation of Milos Jakes in November

1989, it took four days for that country to scrap the communists' leading role (and one month for Vaclav Havel to become President of Czechoslovakia).

Internal causes of the revolutions. - In the events leading up to the momentous changes of 1989, what mattered most in Poland was the rapidly deteriorating condition of the economy (shortages and inflation in particular), universal contempt for the communist party, the continuing appeal of the Catholic Church, deep-rooted anti-Sovietism, and Lech Walesa. What mattered in Hungary most was the early collapse of communist unity and the rise of a sincerely reformist and thus disruptive faction led by Imre Pozsgay, a nationalist revival prompted by concern about the fate of ethnic Hungarians in Romania, persistent anti-Sovietism, inflation, and the growing realization that communism cannot be reformed. What mattered in East Germany was the Berlin Wall and what it signified, fierce hatred of the secret police, and rapidly declining living standards in the 1980s. What mattered in Bulgaria was 35 long years of one-man rule, stories of widespread corruption by the political and economic elites, and strong nationalist sentiments that the Zhivkov regime could not effectively harness. What mattered in Romania was Ceausescu and everything he and his family stood for, including especially the Securitate's persistent terror against the population, and such economic deprivation (i. e., the absence of food and heat) that can be found only in poor Third World countries. And what mattered in Czechoslovakia was shame about this once highly advanced country's condition after forty years of

communist mismanagement, the official lies about 1968, the party's total and often brutal rejection of diversity, a feeling that Czechoslovakia was and should once again belong to Central Europe, as well as leaders of such stature as Alexander Dubcek and Vaclav Havel.

The Soviet role. - By calling Rakowski in August 1989, Gorbachev played a direct and critical role in convincing the Polish party to step aside. As early as May 1988, Gorbachev encouraged the removal of Kadar from the leadership of the Hungarian party and thus unwittingly assisted in the process of that party's subsequent dispersal. By letting Krenz countermand Honecker's order to fire on the protesters in October 1989 and by being inactive when the Berlin Wall was breached, the Soviet leader effectively withdrew Moscow's support from the East German regime, which assured its collapse. By inviting Mladenov to the Soviet Union just one day before an important Bulgarian Central Committee meeting in November 1989, Gorbachev signaled Moscow's strong dissatisfaction with the Zhivkov regime. By his longstanding and barely-veiled contempt for Romania's Ceausescu, Gorbachev on more than one occasion conveyed Moscow's position and preference to the Romanian people. By his spokesman's 1987 allusion to the similarity between perestroika and the "Prague Spring," and by a series of unmistakable signals to the Czechoslovak regime in August and September 1989 (as detailed above), Gorbachev undermined the Czechoslovak communist party's unity and thus its ability to resist change.

The Western role. - Prior to 1989, the West in general and the United States in particular gave moral and material support to "Solidarity" for many years. Hungary, because of its early reformist course, was granted Most-Favored Nation (MFN) treatment by Washington and generous credits by Bonn. The U.S. policy of "differentiation," by favoring those East European countries that embarked on the road to democracy, clarified the American position to pro- and anti-reform governments alike. Yet far more important than what the West did over the years was what it was: free and prosperous. The sharp contrast between East and West was a powerful message to all East Europeans, perhaps the East Germans in particular. The message could reach them in recent years by growing contact with West Europeans, by Western radios, and even by Western television programs that could be watched in some parts of the region. Since 1989, Poland and Hungary have both received considerable Western assistance. The purpose has been to aid the transition from economies based on the plan to economies based on the market, and thus help reduce the threat of political turbulence.

Results so far. - While the old regimes have been crushed everywhere, it seems that the countries of Central Europe (Czechoslovakia, Poland, Hungary and East Germany) have moved ahead of the two states in the Balkans (Bulgaria and Romania). Politically, the Polish coalition government is in noncommunist hands, although at year's end the country's president and defense and internal affairs ministers were all communists. Representatives

of a number of independent Hungarian political parties have entered parliament, and several ministers belong to no party at all. In East Germany, eight political parties have joined that country's reform-communist government, with the social democrats apparently setting the agenda. Although present conditions are still uncertain, forthcoming elections in Bulgaria and Romania are expected to produce coalition governments in which communist influence will undoubtedly decline. As to Czechoslovakia, its coalition is a shining example of how to build a democratic government based on principle and consensus. Economically, only Poland and to a lesser extent Hungary have taken significant and invariably painful steps toward eliminating the legacy of the command economies of the past and embracing the free-market economies of the future. Elsewhere, similar measures will be adopted later in the 1990s.

These brief and tentative summaries suggest similarities and differences, some of the more important causes of the region's six unfinished revolutions, and the achievements -- some spectacular, as in Czechoslovakia, some meager, as in Bulgaria -- so far.

The question that remains to be raised again (see also the beginning of this chapter) is why now. Why did the revolutions take place precisely in 1988-89? Why not earlier? After all, the Polish economy was an awful mess one, five, or ten years ago too. Division in the ranks of Hungarian communists has long been the norm rather than the exception. The people of Czechoslovakia have

known for decades that they were falling behind Western Europe. East Germans have never appreciated being caged in by the Berlin Wall. Romanians have always despised Ceausescu and communism, and it did not take the Bulgarians 35 years to discover that Zhivkov, who had once promised to make their country "the Japan of the Balkans," was a fraud.

Although the answer to the question "why now?" is unsurprising and, indeed, self-evident, it is so important as to be worth repeating: Overwhelmed by an extraordinary domestic crisis in 1988-89, the Soviet Union lost its ability to sustain its imperial domain in Eastern Europe. To have resorted to the use of force under the circumstances would have brought into question the very survival of the Soviet Union. On the other hand, the indication that it would not use force on behalf of its allies effectively undermined the region's communist regimes, members of the "gang of four," especially, but the reformist contingent as well, thus revealing that all East European communist regimes lacked legitimate authority.

Moscow's inability to use force unwittingly sparked the fire next door. "Unwittingly," because the Soviet Union could not have wished to reduce its role in Eastern Europe to that of an interested bystander; his colleagues did not choose Gorbachev to preside over the dissolution of the Soviet empire. Indeed, the Soviet goal was to replace orthodoxy by reform and to trade its sphere of domination based mainly on sheer force for a sphere of influence based mainly on mutual interests. To have failed so

completely to achieve this goal suggests that it was unrealistic, the result of a historic miscalculation in Moscow about East European conditions and aspirations.

Yet neither the Soviet domestic crisis nor Soviet policies reflecting that crisis made the East European revolutions. The region was always smoldering with rage beneath the surface; that it would ignite one day was never in doubt.

## The Brave New World of Eastern Europe

The Soviet bloc has passed into history. Although democracy has yet to be learned, lived, and thus won, East European independence, after four harsh decades of alien rule, is within reach. From now on, the region's future will be decided in Warsaw and Prague and Bucharest, rather than in Moscow. With neither recent experience nor truly comparable models elsewhere to guide them, East Europeans must learn for themselves now how to improvise, how to assume personal responsibility, how to conduct themselves democratically, and, thus, to act independently.

The widely-shared East European goal of achieving "capitalism with a human face" will require drastic austerity measures and therefore enormous sacrifice. Destructive political quarrels will inevitably follow, because economic hardship and the resulting social tension will be made more acute by the legacy of intolerance. It will be a long time before a democratic mentality takes hold.

Yet, because they are independent, the East Europeans appear to have a good chance to solve many of their problems in the 1990s.

## The Soviet Factor

The major cause for cautious optimism is that communist Eastern Europe as a geopolitical and ideological entity has ceased to exist. The Warsaw Pact and CMEA may remain as forums for exchanges of views, but there will be even less business to discuss and fewer decisions to make than in the past. The military agenda will include the issue of what tasks to assign to the Warsaw Pact when Moscow no longer considers either NATO or an uprising in Eastern Europe a potential challenge to Soviet security. The economic agenda will face the issue of what tasks to assign to CMEA at a time when its members, including the Soviet Union itself, are in the process of expanding both their multilateral and bilateral ties with the West rather than with one another. On the political and especially on the ideological agenda, the issues have all been decided.

Thus, as Eastern Europe enters the constructive stage of its revolution -- as it begins to build new institutions of economic and political pluralism, ones that will resemble those created in Western Europe after World War II -- the Soviet Union will find itself with nothing of significance to contribute to the region's emerging order. Its political system has been in disarray. Its economy has become bankrupt. Its ideology, discredited at home, has lost its appeal even in the Third World. It has retained the means to remain a military power, but military power by itself will not

readily translate into political influence. Most East Europeans seem to have concluded that they need not fear Moscow's wrath.

Thus, with little leverage left, the Soviet Union may have missed the opportunity to do what it should have done and could have done earlier and what most East Europeans would have gladly accepted in the past: to transform its sphere of domination into a sphere of influence.

To be acceptable, a sphere of influence requires an exchange of concessions. Both sides must be ready to agree to less than what they want. Specifically, the strong state must settle for being influential rather than dominant because the price for hegemony, which normally entails the use of force, is far too high. The weak state, in turn, must agree to be influenced rather than be fully sovereign because the price for full independence, which normally requires armed resistance, is too high.

Thus, steering carefully between that which is desirable (full sovereignty) and that which is unacceptable (domination), the weak state seeks to obtain and then settle for some of what it wants. It accepts only some of what it wants and thus accommodates itself to being in a sphere of influence, because it fears that the strong state may one day decide to use force to become dominant. In the end, it is that fear of being dominated rather than influenced -- the fear of losing all of its independence -- that propels the weak state to acquiesce to a subordinate status.

Although Finns strongly resent the term, and deny that they have such a relationship with the Soviet Union, the term

"Finlandization" is often used to identify Moscow's implicit understanding-with its small Northern neighbor.(9) In practice, "Finlandization" has come to mean a Finnish political order that is free and an economy that is privately owned, while Finnish foreign policy, irrespective of which political parties make up that country's coalition government at the moment, is guided by a firm, national commitment to harmonious relations with the Soviet Union. On the whole, despite a few irritating incidents over the years, the formula has worked. Finland has retained some leeway in foreign affairs, while its domestic order has remained free of Soviet interference.

Moscow has been satisfied by the situation, as well. During his visit to Helsinki in October 1989, Gorbachev praised the Soviet-Finnish relationship and implied that it might become a model for Soviet ties with Eastern Europe. The New York Times interpreted his comments to mean that "'Finlandization' [for Eastern Europe] is OK." (10) Yet, despite Gorbachev's endorsement, the "Finlandization" of Eastern Europe was by then an idea whose time had passed. In Eastern Europe, the choice was no longer seen as between being in the Soviet sphere of domination or a Soviet sphere of influence, but between domination and independence. As Soviet troops withdrew from the region and as Moscow, anxiously attending to disorder at home, was so deeply preoccupied with the very survival of the Soviet Union itself, East Europeans saw no reason to exchange subservience for subordination. Thus, with the lessening of the old, pervasive fear of Soviet intervention,

"Finlandization," once seen as a respectable formula for a relationship based on mutual concessions, has come to be regarded in Eastern Europe as a needless compromise.

Thus, having finally ended forty years of Soviet rule in 1988-89, most East Europeans no longer consider "Finlandization" an appealing alternative. Gorbachev's personal popularity notwithstanding, they want nothing to do with either the Soviet Union or with those whom they regard as the local beneficiaries of forty years of Soviet domination. Simply put, East Europeans have no use for communism, socialism, "reforms," or indeed the Soviet Union. (1)

When their passions subside, East Europeans will come to realize that, if only for one reason, their dependence on the Soviet Union must continue for years: the reason is the region's need for energy. For as long as Eastern Europe cannot afford to buy energy with hard currency, there will be no alternative to its reliance on Soviet supplies. Hard currency, in turn, will be unavailable until the generally poor quality of East European goods improves sufficiently to make them competitive in Western markets.

Yet even when the East Europeans succeed in improving the quality of their products, another problem will confront them. The Soviet Union, which is by far the largest market for East European manufactures, does not demand -- and in most cases prefers not to purchase -- high-quality products (because it cannot put them to effective use). Under the circumstances, the East Europeans will find it difficult to assemble small quantities of high-quality

goods for Western consumption while at the same time producing large quantities of the same goods of lesser quality for the vast Soviet market. Given limited resources and relatively small productive capacities, the East European economies cannot efficiently serve two very different markets because of the initially prohibitive cost that the development of high quality products will entail.

If the East Europeans were to adopt a Western-oriented economic strategy, they would eventually achieve independence from Soviet energy. They would also pay a high price for their efforts. During the long process of transition, they would risk losing the Soviet market for their traditional products while seeking, perhaps in vain, Western markets for their new ones. For this reason, most East Europeans are likely to opt to continue trading their food and manufactures for Soviet energy.

Still, such continuity in the Soviet-East European economic relationship will begin and end with bilateral trade. There will be no Soviet-dominated coordination of one-, two-, or five-year plans among CMEA members, because there will no longer be either a CMEA or any all-encompassing planned economies in the region.

With energy as its sole, albeit compelling, source of leverage, Soviet policy in Eastern Europe is not likely to be reversed. Soviet domestic conditions, in particular, militate against the reemergence of an assertive Soviet foreign policy in the foreseeable future. With Stalinism condemned and Leninism rebuked, the Soviet Union will seek to incorporate West European

social democracy into its new ideology in an attempt to recreate the unity of the socialist movement of the pre-Leninist period. In the political realm, Moscow may soon permit institutionalized, if limited, pluralism, and allow the transformation of the Union of Soviet Socialist Republics into something closer to an Association of Semi-Independent Soviet Republics. Economic need would thus leave Moscow with a modicum of influence over Lithuania, Armenia, and the other republics that have so forcefully asserted their national identities.

With or without Gorbachev, it is reasonable to expect major setbacks in the Soviet Union during the long decade of transition of the 1990s. Although it is unclear where or when, it is certain that Moscow will draw the line somewhere in order to save the integrity of the Soviet Union from nationalist pressures. Yet even if massive force were used to restore domestic law and order, the application of sanctions against an East European country has become unlikely. After all, Moscow consistently refrained from using economic sanctions against recalcitrant East European regimes even under Gorbachev's predecessors. (Stalin learned during the Yugoslav crisis of 1948-49 that the harsh sanctions he applied only intensified Yugoslav resistance and were thus counterproductive.)

There are, therefore, many in the West as well as in Eastern Europe who believe that the Soviet Union has become a "pitiful giant" in its own backyard. The available evidence suggests that, as long as it continues to experience such acute difficulties at home, this view may be correct. Confused about its values,

overwhelmed by extraordinary pressures from within, and exhausted economically, - the Soviet Union appears to have lost its will to pursue its old ambitions and defend its traditional interests. Having withdrawn from Afghanistan, it has retreated both militarily and politically from Eastern and Central Europe as well. As this chapter is being written, Moscow has indicated its willingness to relinquish its hold over East Germany, its most precious postwar geopolitical gain. Indeed, because it has become unwilling to use force abroad on behalf of its interests, it is likely that the Soviet Union will even accede to the reunification of Germany that will signal the effective absorption of East Germany into West Germany.

As its domestic crisis abates, perhaps in the next century, the Soviet Union may well attempt to regain its military grandeur and corresponding global role in world affairs. However, its condition at the start of the 1990s argues against an early recovery.

Thus, the answer to the question posed in the Preface -- "Can there be an Eastern Europe that in its relations to the Soviet Union is cordial but not subservient, independent but not inhospitable, and thus influenced but not dominated by its large and powerful neighbor?" -- is that although the Soviet Union will be unable to dominate or even significantly influence the course on which Eastern Europe has embarked, the East Europeans will treat Moscow cordially. They will do so both before the Soviets leave the region completely -- mainly to ensure that they actually do leave -

- and also after they are gone -- to ensure that they will not return. - -

### East European Prospects

The chances for the successful completion of the second phase of the East European revolution vary from country to country. To the extent that generalizations apply, however, the transition from independent existence to political democracy and a free enterprise system will depend mainly on each country's management of economic change and the strength of the emerging coalition governments.

In the economic realm, the most difficult dilemma will be how to combine economic productivity and efficiency with social sensitivity and responsibility. Understandably, most East Europeans want the best of both worlds: the economic productivity associated with capitalism and the social benefits associated with socialism. Unfortunately, the models of Sweden or Austria cannot be followed in Eastern Europe: the region's six countries are too poor to subsidize housing, medical care, long maternity leaves, or even public transportation. Extended social benefits will have to be the results of, and thus they cannot precede, economic recovery. Above all, present subsidies to inefficient enterprises, which make up about one-third of the budget of an average East European government, will have to be reduced and eventually eliminated.

The conflict of values and priorities will be unavoidable. On the one hand, the introduction of hard-headed, market-oriented

economic policies, such as the reform of prices and the monetary system and a shift from public to private ownership, are both essential and long overdue. On the other hand, social responsibility, coupled with the prevailing sense of egalitarianism, argue for a transition to free enterprise that is slow -- in order to minimize the harmful side-effects of a new economic order. If the economic changes are, in fact, resolutely pursued, the bankruptcies of inefficient enterprises will increase and unemployment will rise. Moreover, if the free enterprise system moves toward greater wage differentiation in order to reward talent and hard work, the income of the less gifted and the average will fall below the poverty line. If economic policies turn into half-measures, however, the East European economies will do no better than in the past when some, such as Hungary and Poland, tried to "reform" their economic mechanism without changing the system -- and failed.

Economic hardships and dislocations, which appear to be inevitable, will have the most serious social and political consequences. Support for political democracy may suffer in an economic environment that is perceived to favor the few at the expense of the many. The cause of neither economic recovery nor social justice will be served, and a stable, democratic political order may not long survive, if dissatisfaction gives rise to such manifestations of social turbulence as prolonged, general strikes.

How the region's emerging coalition governments will handle these problems will mark the difference between order and anarchy,

economic advance and economic decay, progress toward democracy and regression away from it. If these governments turn out to be weak coalitions made up of weak parties led by weak leaders, they could be even swept away by a combination of popular rage and populist demagoguery. In that case, they could be replaced by an equally weak, unstable coalition or by nationalist, populist, or authoritarian regimes.

As Eastern Europe enters the final decade of the twentieth century, chances are that in a majority of the region's six countries, but not in all, democratic governments will nevertheless acquire sufficient legitimacy to govern. While the initial coalitions, composed of honest but inexperienced parties and politicians, may not last long, they may be both strong enough and resilient enough to undertake the first measures necessary to make the transition to economic and political pluralism at least relatively smooth and peaceful.

East Germany, for example, because of its association with West Germany, is a particularly promising candidate for successful transition, as is Czechoslovakia, which has a fine democratic tradition, an economy that is not beyond repair, and a leader of Vaclav Havel's immense popularity and stature. Hungary, despite its overwhelming foreign debt and contentious politics, has advanced far toward dismantling the communist system. The country's entrepreneurial spirit and its highly educated labor force bode well for the future.

It is far more difficult to predict the chances of success for Poland. Unable to pay the interest on its debts, it is bankrupt. Inflation is still unchecked. Its activist industrial working class, which brought the "Solidarity"-led government to power, could also be that government's -- and Poland's -- undoing. On the positive side of its ledger, Poland has Lech Walesa at home and the Pope abroad. It has an energetic and competent government, too, which in December, 1989 introduced the region's most promising economic program. (12)

While there is no cause for euphoria, then, there is none for excessive alarm. The region's discredited communist parties and demoralized security forces are unlikely to reemerge as a major force on the East European political scene. Despite extensive speculation in the Western press, there are no indications of nationalist rivalries disturbing the region's peace; on the contrary, there are good prospects for the creation of a Central European or a Danubian confederation. Nor have any of the new East European governments prematurely confronted the Soviet Union about withdrawing from the Warsaw Pact or CMEA, although, over time, several will undoubtedly leave both organizations. Popular sentiment favoring neutrality cannot be long denied.

Indeed, the absence of such divisive developments and, indeed, of even the prospect of such developments offer the best hope and suggest grounds for a cautiously optimistic outlook. Economic, social, and political conflicts notwithstanding, most East European countries may well emulate the examples of Portugal and Spain,

which emerged from decades of dictatorial rule in the 1970s to become constructive and stable members of the European community of free and independent nations.

#### Western Concerns

The East European revolution has caught the West by surprise. Past West German statements in particular, predicting the inevitability of change in Eastern Europe, have turned out not to reflect official expectations; they were apparently meant to keep hope alive. When change did occur -- when instability turned into revolution, and when it became evident that Moscow would not intervene and communist rule would thus end -- there was both incredulity and concern.

There has been and will continue to be concern in the West about three related issues.

The first concern involves the extent of Western economic assistance to Eastern Europe. Financial constraints will be the first obstacle. The problem is not that Washington, for example, is not sympathetic to East European needs; it is and it will be. The problem is how to determine the criteria for the allocation of limited resources. So-called humanitarian aid aside, is Poland more important to the United States than the Philippines?

Assuming Poland will continue to receive Western assistance, it will remain a subject of heated political debate whether assistance should include what that country needs most, which is

debt relief. For if the West decides to give preferential treatment to Poland, will not other indebted nations in Latin America and elsewhere ask for and expect similar concessions? Will not Poland itself conclude that its future debts will be forgiven as well? The choice for the West is between financial prudence and political opportunity.

Nevertheless, the West will play an important role in attempting to make the changes that have occurred in Eastern Europe permanent, because these changes serve Western interests and because they conform to Western ideals. Western Europe more than the United States and West Germany more than any other West European state can be expected to support particularly those countries that will initiate radical economic and political measures. East European countries with a free enterprise system will easily persuade private Western firms to invest and do business there, especially if the profit they will make is available in hard currency. East European countries that practice political democracy will persuade Western governments to encourage such business activity and also to remove existing barriers from the free flow of goods, including products that contain advanced, although probably not the most advanced, technology.

The second concern involves the Soviet Union. The problem is that the West does not and will not have sufficient influence to make a significant contribution to the Soviet Union's democratic evolution. For the sake of Western security interests as well as Western ideals, the West has a stake in what Gorbachev stands for

and, indeed, in the rise of an increasingly democratic Soviet political order. Given the limits of outside influence on the Soviet domestic scene, however, the West can do no more than to applaud Gorbachev's efforts, conclude arms control agreements that serve both sides' interests, and ease trade restrictions.

Whether these otherwise important steps will make a difference for Soviet domestic developments are highly doubtful. Almost irrespective of what the West will do, it appears that the Soviet Union will encounter greater convulsions in the early 1990s than what Eastern Europe experienced at the end of the 1980s. For the West, the issue is how to prepare for the international consequences of Gorbachev's probable failure to implement his ambitious objectives.

The third concern is the future of European security. That it is a concern is the paradoxical result of the end of the cold war: as the dangers associated with the cold war disappear, the sense of clarity it offered will disappear as well. Being somewhat removed from the scene, Americans, in particular, will no longer be able to distinguish between friends and adversaries, NATO and the Warsaw Pact, democrats and communists. The end of the cold war is a concern, then, because there will be no alternative in the 1990s to exchanging the simplicity of a divided Europe for the complexity of a united Europe. Without the Iron Curtain and the Berlin Wall, novel security arrangements will have to be created that take into account both the new geopolitical reality and the

possibility that a convulsive Soviet Union will become an unpredictable-Soviet Union.

While American influence over Soviet domestic developments will be marginal, and while its role in Eastern Europe will be important but less than critical, the United States will have to lead the West in the search for a dependable and lasting security formula for Europe. As the only superpower in the world of the 1990s, the United States can no more abdicate its responsibility for Europe than it can relinquish its own security interests.

What, in the end, will replace NATO and the Warsaw Pact cannot be predicted. Yet it is clear that, despite Soviet retreat, the new European security formula for the 1990s and for the next century will have to be more than NATO in a new guise. It will have to provide stability for a new Europe, West and East. To devise such a formula and thus to pave Eastern Europe's reentry into the European community of nations is a task that is worthy of the legacy of the East European revolutions.

#### FOOTNOTES

1. Zbigniew Brzezinski, "Special Address," Problems of Communism, Vol. XXXVII, No. 3-4 (May-August 1988), pp. 67-70.
2. Charles Gati, "Eastern Europe on Its Own," Foreign Affairs, Vol. 68, No. 1 (America and the World 1988/89), pp. 99-119.
3. In practice, it remains unclear how responsibility for Eastern Europe is divided among the several Central Committee commissions and departments. While the Politburo has retained responsibility for making basic decisions, of course, it appears that policy originates either in the CPSU's International Department (which works under the Yakovlev commission) or in the Ministry of Foreign Affairs. Since mid-1988, the International Department has been headed by Valentin M. Falin, a German specialist and Central Committee member. Of the three First Deputy Heads in his department, one -- Rafael P. Fedorov -- deals with Eastern Europe. His staff includes specialists on the East European countries, who perform the functions of the formerly separate Liaison Department.

There are others with East European expertise within the Central Committee apparatus. The Ideology Commission, led by Politburo member Vadim Medvedev, the former director of the Liaison Department, remains a key player. Then there is Gorbachev's "personal advisor" on Eastern Europe, the highly regarded political scientist, Georgi Shakhnazarov. Since early 1989, whenever

Gorbachev met with the head of an East European communist party, only Shakhnazarov accompanied the Soviet leader. Together with Yakovlev, but not Medvedev and Falin, Shakhnazarov is known to belong to Gorbachev's inner circle of like-minded officials.

4. The change was very sudden indeed. Only a few months earlier, in mid-1988, one of the three had told me that he would rather cut his own throat than negotiate with Walesa.

5. The Economist, July 15, 1989, p. 53.

6. The Washington Post, March 18, 1987.

7. If the spirit of the East German revolution was captured by an unnamed young man cheerfully riding his bicycle at the top of the Berlin Wall one night, the symbol of the Czechoslovak revolution was Vaclav Havel. Yet I also recall an incredibly moving scene at Prague's old Symphony Hall. There, the conductor -- a bearded man of middle age -- led the country's famous symphony orchestra in a performance of Beethoven's Ninth Symphony. The house was packed, the audience included President Havel. Then, as the fourth movement began and the chorus cried out for freedom, the television camera showed the conductor leading his orchestra with tears pouring down his face. It occurred to me that even though the cheerful German bicyclist and my tearful Czech conductor were separated by hundreds of miles, they managed to convey the same feeling of joy shared by all East Europeans and indeed all who value freedom.

8. The New York Times, December 5, 1989.

9. Cf. J. P. Vloyantes, Silk Glove Hegemony: Finnish-Soviet Relations 1944-1974. A Case Study of the Theory of the Soft Sphere of Influence (Kent: Kent University Press, 1975.) For a view that denies that Finland belongs to a "soft sphere" of Soviet influence, see Roy Allison, Finland's Relations with the Soviet Union (New York: St. Martin's Press, 1985).

10. November 1, 1989.

11. The small turnout at the Polish election and the Hungarian popular referendum of 1989 suggests a mood of resignation about politics in general and political parties in particular -- as if the anticommunist parties were cut from the same cloth as their communist predecessors.

12. These forecasts were made in December, 1989, in the midst of a revolutionary process. It is too soon to estimate Bulgaria's and Romania's chances for a successful transition from dictatorship to democracy.